

PROCEDURE REFERENCE : FmHA Instruction 1944-E

PURPOSE : Notification of loan closing between FmHA and the Borrower

UNITED STATES DEPARTMENT OF AGRICULTURE
FARMERS HOME ADMINISTRATION
(Location)

Date _____

(Name of Borrower)

(Address of Borrower)

Dear _____ :

Your loan has been scheduled for closing on _____ (Date) at _____ (Time).

The appropriate officials (general partners, president, secretary and treasurer) are required to execute loan documents and must be present. Please bring your official seal, if appropriate, with you.

We will need the following documents available at loan closing:

- Original "Position Fidelity Schedule Bond", commercial form or Form FmHA 440-24, at a minimum amount of \$ _____. It should cover the positions of all persons, including the manager, who will be handling the project's funds. Your insurance agent will need to complete an effective power of attorney, which must be attached to your fidelity bond.
- Workman's Compensation Insurance, if required.
- Form FmHA 402-1, "Deposit Agreement", attached. All three copies are to be signed by the appropriate official of the borrower, FmHA and the bank representative. The original of the form, the signature card, account number, along with an initial supply of checks, are needed on the closing date.
- Copy of a deposit slip in the amount of \$ _____ showing deposit in the account as evidence of your required borrower contribution.
- Copy of a deposit slip evidencing that the \$ _____ initial operating capital has been deposited in the project operating account, or evidence that it has been disbursed for authorized purposes.
- Rental Assistance use (when applicable).
- Rent increase request (when applicable).

A Civil Rights and Fair Housing compliance review will be made as well as an inspection of the project's condition. You are responsible to notify tenants so that their apartments will be available for viewing.

If you have any questions please feel free to call us.

Sincerely,

(FmHA official's signature and title)

(03-16-94) SPECIAL PN